



TEXAS DEPARTMENT OF INSURANCE

Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name

Pine Creek Medical Center

Respondent Name

Federal Insurance Co

MFDR Tracking Number

M4-16-3829-01

Carrier's Austin Representative

Box Number 17

MFDR Date Received

August 25, 2016

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Laboratory tests may be (or must be for a non-patient specimen) billed on a 14X claim in the... Based on the 2015 Clinical Diagnostic Laboratory Fee Schedule reimbursement should be... Total reimbursement is \$22.66."

Amount in Dispute: \$22.66

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The TOB 14X is only to be used for non-patient (referred) laboratory specimens... The patient in this case physically presented to the hospital for outpatient lab tests... There were no other hospital outpatient services performed on 12/03/15. Therefore, CorVel maintains the requestor was required to bill with TOB 13X and modifier L1 in order to be eligible for payment under the CLFS for the exceptions listed above."

Response Submitted by: CorVel Healthcare Corporation, 3520 Executive Center Dr, Building 5, #250, Austin, TX 78731

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
December 3, 2015	36415, G0434	\$22.66	\$22.66

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.203 sets out the guidelines for reimbursement of professional medical

services.

3. The insurance carrier denied payment for the disputed services with the following claim adjustment codes:
 - RN – Not paid under OPPS: services included in APC rate
 - P14 – Payment is included in another svc/procedure occurring on same day
 - TC – Technical Component
 - W3 – Appeal/Reconsideration

Issues

1. Does the respondent's position statement address only those denial reasons presented to the requestor prior to the date the request for MFDR was filed?
2. What is the rule applicable to reimbursement?
3. Is the requestor entitled to additional reimbursement?

Findings

1. The requestor seeks payment in the amount of \$22.66. The requester billed CPT codes 36415 – "Collection of venous blood by venipuncture" and G0434 – "Drug screen, other than chromatographic; any number of drug classes, by CLIA waived test or moderate complexity test, per patient encounter."
2. 28 Texas Administrative Code 133.307(d)(2)(F) states that, "The response shall address only those denial reasons presented to the requestor prior to the date the request for MFDR was filed with the division and the other party. Any new denial reasons or defenses raised shall not be considered in this review."

The respondent in their position summary raised, "; "The TOB 14X is only to be used for non-patient (referred) laboratory specimens... The patient in this case physically presented to the hospital outpatient for lab tests... Therefore, CorVel maintains the requestor was required to bill with TOB 13X and modifier L1 in order to be eligible for payment under the CLFS for the exceptions listed above." The additional reason for denial contained in the insurance carrier's position summary does not match the explanation of benefits submitted by the requestor. The respondent did not submit sufficient information to MFDR to support that the additional defense raised by the insurance carrier had ever been presented to the requestor or that the requestor had otherwise been informed of the new defense prior to the date that the request for medical fee dispute resolution was filed with the Division; therefore, the Division concludes that the respondent has waived the right to raise such additional denial defenses. Any newly raised denial reasons or defenses shall not be considered in this review.

Therefore, the services in dispute will be reviewed per applicable rules and fee guidelines.

3. The service in dispute was denied with the code RN – "Not paid under OPPS: services included in APC rate."

Review of Medicare Claims Processing Manual, Chapter 16, Section 30.3 states in pertinent part,

Non-Patient (Referred) Laboratory Specimen- A non-patient is defined as a beneficiary that is neither an inpatient nor an outpatient of a hospital, but that has a specimen that is submitted for analysis to a hospital and the beneficiary is not physically present at the hospital. All hospitals (including Maryland waiver hospitals and CAHs) bill non-patient lab tests on TOB 14X. They are paid under the clinical laboratory fee schedule at the lesser of the actual charge, the fee schedule amount, or the NLA (including CAH and MD Waiver hospitals). Part B deductible and coinsurance do not apply.

The Division finds this type of bill is separately payable under the clinical laboratory fee schedule.

The applicable fee guideline calculation is subject to 28 Texas Administrative Code §134.203 (e) which states,

The MAR for pathology and laboratory services not addressed in subsection (c)(1) of this section or in other Division rules shall be determined as follows:

- (1) 125 percent of the fee listed for the code in the Medicare Clinical Fee Schedule for the technical component of the service; and,

(2) 45 percent of the Division established MAR for the code derived in paragraph (1) of this subsection for the professional component of the service.

Review of the 2015 Clinical laboratory fee schedule finds;

36415 – Allowable for Texas \$3.00

G0434 – Allowable for Texas \$15.13

No professional component was found for either code therefore the maximum allowable reimbursement is $(\$3.00 + \$15.13) = \$18.13 \times 125\% = \22.66 .

4. The total allowable for the services in dispute is \$22.66. This amount is due to the requestor.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$22.66.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sec. 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services in dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$22.66, plus applicable accrued interest per 28 Texas Administrative Code §134.130 due within 30 days of receipt of this Order.

Authorized Signature

_____	_____	October 7, 2016
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, 37 *Texas Register* 3833, applicable to disputes filed on or after June 1, 2012.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.